

# RFS News

Real Fast Service  
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## SINGLE PREMIUM WHOLE LIFE

Sometimes we as agents miss out on opportunities to make money because we don't know our products well enough, or understand how to use/sell them.

For example I recently had an agent tell me something that I found to be both shocking and disturbing. He was frustrated that he had gotten a referral for an elderly couple that lived in his neighborhood, and sounded like the perfect candidates for life insurance. So after several attempts at trying to reach the couple on the phone, he decided to go cold calling on them. As he got to talking with the gentleman he was told that they did not need anymore life insurance. The gentleman explained that both he and his wife had paid up whole life policies to pay for their final expenses, pre-paid funeral arrangements and burial plots, and that they had paid off all of their debts. Their children were grown and doing quite well for themselves, and that they even had \$25,000 set aside for their three grandchildren for when they passed away. The agent said he understood where the gentleman was coming from, so he just left him a card in case he knew of anyone else that might need to buy some life insurance.

What I found to be so disturbing is that the elderly gentleman was basically asking for a Single Premium Whole Life, and the agent did not realize it. It was probably because he did not understand how one would work, or know how to explain it.

In this scenario the gentleman is thinking that when he passes all three grandchildren will inherit \$8,333 a piece. The fact is that is simply NOT true. The government will apply an Estate Tax, also known as a death tax to that money at a rate of up to 47%. (Review at [www.Deathtax.com](http://www.Deathtax.com)). In fact he should estimate the three children will each receive \$5,750 each. Now let's say that bought a Single Premium Whole Life policy to leave to his grandchildren. At 67 years old, with not smoking, and relatively decent health he could purchase \$44,405 worth of life insurance in a single premium. That would leave each of his grandchildren a total of \$14,801.67 each, TAX FREE. Now if you do the math, that is more than two and a half times more than what they would have inherited.

Once I took out my **Classic Solution Money Purchase Sheets** from American Amicable, and explained to the agent how to present the elderly gentleman with the prospect of leaving his grandchildren more money tax free, the agent quickly left to go back to the gentleman's house. He was able to sell a Single Premium Whole Life for \$25,000 that paid him 10 percent commissions (\$2,500). That isn't exactly what I would consider to be a bad day's pay.

Now ask yourself how many people do you know of, that would have money to leave to their relatives? Do you think that they would like to leave their loved ones more money tax-free? Even if you don't know of anyone that fits into this particular scenario, don't you think that it might be worth it to run an ad or put a flyer that says, "Do you have money put back that you are planning on leaving to your loved ones when you pass away? Let me show you how to leave your loved ones a bigger inheritance Tax-Free! Call....."

If you have any questions, comments, or concerns, please call **R.F.S.** at (770)968-5757 or toll free at 1(877)968-5757. Our office hours are Monday thru Thursday from 9:00 to 4:30 (EST), Friday from 9:00 to 3:00, and we will be closed for lunch from 12:00 to 1:00.